

2024 Annual Statement Filing Checklist Notes

Note 1: SUPPLEMENTAL COMPENSATION EXHIBIT

(Domestic Companies Only)

All Massachusetts domestic insurance companies are required to file this exhibit with the Massachusetts Division of Insurance as part of their Annual Statement filing. Each domestic insurer shall file the most recent version of the exhibit, as provided by the National Association of Insurance Commissioner: [Supplemental Compensation Exhibit](#)

Compensation shall consist of any and all remuneration paid to or on behalf of an officer, employee, or director covered by this requirement, including, but not limited to, wages, salaries, bonuses, commissions, stock grants, and gains from the exercise of stock options, and any other emolument.

The reporting insurer shall provide a narrative description of any material factors necessary to gain an understanding of the information disclosed in the tables in Part 4.

Instructions specific to “PART 1 – INTERROGATORIES”:

Question 1 – If there is an allocation to each insurer within the group, provide a description of the allocation methodology on the exhibit.

Question 2 – If the answer is “Yes”, provide the commission as part of “All Other Compensation” reported in Column 5 of Part 2, or Column 3 of Part 3 on the exhibit.

Question 3 – If the answer is “Yes”, provide a description of any salary, compensation or emolument that will extend beyond a period of 12 months of the date of the agreement on the exhibit.

Instructions specific to “PART 2 – OFFICERS and EMPLOYEES COMPENSATION”:

The reporting insurer shall provide compensation information of:

1. The individual acting as the principal executive officer or acting in a similar capacity during the last completed fiscal year;
2. The individual acting as the principal financial officer or acting in a similar capacity during the last completed fiscal year;
3. The next three most highly compensated other officers of the company who were serving as executive officers at the end of the last completed fiscal year;
4. The next five most highly compensated employees of the company whose individual pre-allocation total compensation exceeds \$100,000. Any former officer or employee whose total compensation meet this criterion shall be included on this exhibit, even if such officer or employee was not an officer or employee of the company at year-end. Any former officers or employees included on the exhibit shall be identified as “Former”.

Definitions. For purposes of this disclosure:

1. The term “stock” means instruments such as common stock, restricted stock, restricted stock units, phantom stock, phantom stock units, common stock

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equivalent units or any similar instruments that do not have option-like features, and the term option means instruments such as stock options, stock appreciation rights and similar instruments with option-like features. The term stock appreciation rights (SARs) refers to SARs payable in cash or stock, including SARs payable in cash or stock at the election of the registrant or a named executive officer. The term “equity” is used to refer generally to stock and/or options.

2. The terms “date of grant” or “grant date” refer to the grant date determined for financial statement reporting purposes pursuant to SSAP No. 104R, Share-Based Payments.

Column 3 – Salary: The dollar value of the base salary (cash and non-cash) paid to the named officer or employee during the fiscal year covered.

Column 4 – Bonus: The dollar value of any bonus (cash and non-cash) paid to the named officer or employee during the fiscal year covered.

Column 5 – Stock Awards: For awards of stock, the aggregate grant date value computed in accordance with SSAP No. 104R, Share-Based Payments.

Column 6 – Option Awards: For awards of options, with or without tandem SARs (including awards that subsequently have been transferred), the aggregate grant date value computed in accordance with SSAP No. 104R, Share-Based Payments.

Column 7 – Sign-on Payments: All compensation received as a result of the acceptance of an employment offer.

Column 8 – Severance Payments: Any termination, including without limitation through retirement, resignation, severance or constructive termination (including a change in responsibilities) of such executive officer’s employment with the reporting entity’s and its subsidiaries.

Column 9 – All Other Compensation: All other compensation for the covered fiscal year that the reporting entity could not properly report in any other column. Each compensation item that is not properly reportable in other columns, regardless of the amount of the compensation item, must be included. Such compensation must include, but is not limited to:

- Perquisites and other personal benefits, or property, unless the aggregate amount of such compensation is less than \$10,000;
- All “gross-ups” or other amounts reimbursed during the fiscal year for the payment of taxes;
- Reporting entity contributions or other allocations to vested and unvested defined contribution plans;
- A change in control of the reporting entity;

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- The dollar value of any insurance premiums paid by, or on behalf of, the reporting entity during the covered fiscal year with respect to life insurance for the benefit of a named officer or employee; and
- The dollar value of any dividends or other earnings paid on stock or option awards, when those amounts were not factored into the grant date fair value required to be reported for the stock or option award

Instructions specific to “PART 3 – DIRECTOR COMPENSATION”:

All persons who serve as a Director of the reporting insurer during the reporting year, whether compensated or uncompensated, shall be provided in Part 3, including employees who served as a Director during the reporting year. The Director’s name and principal position or occupation shall be provided on the exhibit.

Instructions specific to “PART 4 – NARRATIVE DESCRIPTION OF MATERIAL FACTORS”

Provide a narrative description of any material factors necessary to gain an understanding of the information disclosed in the Part 2 and Part 3 tables.

Note 2: Premium Taxes

Premium tax forms and/or payments are NOT to be filed with the Division of Insurance. All tax matters in Massachusetts, other than surplus lines premium taxes, are under the supervision of the Commissioner of Revenue. For information regarding premium tax forms and/or payments, please contact:

Commissioner of Revenue
Audit Division
Banking & Insurance Unit
PO Box 7052
Boston, MA 02204
Telephone: 617-887-6710

Note 3: State Filing Fees and License Renewal Application

The Massachusetts Division of Insurance has implemented *OPTins*, a product of the NAIC, for insurers filing and paying of Massachusetts company renewal and filing fees.

All Payments for license renewal and filing fees are to be sent to
<https://content.naic.org/industry/optins>

All renewal documents are to be emailed to Companies.Mailbox@mass.gov. This address is to be used for all regulatory filings **except** payments.

HMO License Renewal Applications and Filing Fees

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All HMO License Renewal Applications are to be filed electronically using MOVEit (the Commonwealth's secure file transfer server/service).

All non-refundable HMO License Renewal Application Filing Fees of \$1,000.00 (one thousand dollars) are to be sent to <https://content.naic.org/industry/optins>

Note 4: Claims in Suit

M.G.L. Chapter 175, Section 27, requires that the Company prepare a schedule showing all Massachusetts claims in suit during the year, including suits disposed of during the year and those outstanding at year end. This schedule relates only to policyholders' suits against the Company. Do not include suits against an insured defended by the Company under liability policies. Insert the amount presented in the proof of claim if Ad Damnum and amount claimed differ. For companies writing fidelity and surety lines, the schedule must show all suits against bonds issued by the Company. The schedule shall reflect the following information:

1	Policy/Bond Number
2	Date of Loss
3	Date of Notice of Suit
4	Amount Claimed
5	Amount Paid to Claimant to Date
6	Name of Local Attorney in Charge of Case
7	Reason for Resisting Claim

If there are no suits in process, the schedule must so indicate.

Note 5: Form AR - 1 Certificate of Assuming Insurer

This form is required to be filed by those companies that are Accredited Reinsurers only.

Note 6: Workers' Compensation Schedule C - 1

This form is required to be filed by any foreign Company authorized for Workers' Compensation in Massachusetts that has an AM Best Rating of "B++" or lower.

This form is not required to be filed by any foreign Company authorized for Workers' Compensation in Massachusetts that has an AM Best Rating of "A-" or higher. The required Workers' Compensation deposit for these companies is \$50,000.00.

Note 7: Holding Company Registration Statement (Except for HMO's) Holding Company Registration Statement Affidavit (Except for HMO's)

M.G.L. Chapter 175, Section 206C, requires every insurer that is authorized to do business in Massachusetts and which is a member of an insurance holding company system to register with the Commissioner. Foreign companies that file a registration

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statement under the laws of their domiciliary state, with disclosure requirements and standards substantially similar to those prescribed in Section 206C, are exempt from the filing requirement provided the domiciliary state grants a similar exemption for insurers domiciled in Massachusetts.

Foreign companies qualifying for this exemption must complete the **Holding Company Registration Statement Affidavit**, attesting that a registration statement has been filed with an appropriate state regulatory authority. The affidavit must be signed by an officer of the Company.

Non-exempt foreign companies shall prepare and submit the registration statement required by Section 206C.

If the filing of a holding company registration statement or affidavit does not apply to the Company, it should be so reported along with the reason(s) for non-applicability.

HMO Holding Company Registration Statement

M.G.L. Chapter 176G, Section 28, requires every health maintenance organization that is authorized to do business in Massachusetts and which is a member of a health maintenance organization holding company system to register with the Commissioner. Foreign health maintenance organizations that file a registration statement under the laws of their domiciliary state, with disclosure requirements and standards substantially similar to those prescribed in Section 28, are exempt from the filing requirement.

If the filing of a holding company registration statement does not apply to the HMO, it should be so reported along with the reason(s) for non-applicability.

Form F is a state filing only and should not be submitted by the company to the NAIC. Note as well that this filing is intended to be submitted to only the lead state. For more information on lead states, see the following NAIC URL:
http://www.naic.org/public_lead_state_report.htm

Note 8: Jurat Page

Massachusetts does not require electronic copies of annual statements and related filings for all foreign companies licensed or authorized in Massachusetts except Fraternal Benefit Societies and Health Maintenance Organizations. In lieu of electronic copies, companies are required to file a Signed Jurat Page on or before March 1, 2025. The email address for the Signed Jurat Page is:

companies.mailbox@mass.gov

Note 9: Request to File Consolidated Audited Annual Statements Domestic Companies

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Requests from domestic companies to file consolidated audited annual statements must include a statement of justification for the request (100% pooling or 100% reinsurance) and should be emailed by March 1 to:

Companies.mailbox@mass.gov

Foreign Companies

Requests from foreign companies to file consolidated audited annual statements must include both a statement of justification for the request (100% pooling or 100% reinsurance) **and** copies of approvals to file consolidated audited annual statements in states of domicile for the companies in the pool; and should be emailed by March 1 to:

Companies.mailbox@mass.gov

Note 10: Group Capital Calculation Filing

Domestic Companies (to be filed with lead state only)

Year End 2024 Group Capital Calculation Instructions are available at:

https://content.naic.org/sites/default/files/inline-files/2024%20Instructions_0.pdf